

IRREVOCABLE STANDBY LETTER OF CREDIT AMENDMENT

DATE: 05/04/07  
LETTER OF CREDIT NO.:  
AMENDMENT NO.: 1  
LC ISSUE DATE: 04/13/07

APPLICANT: ELMER HEINRICH  
119 SPINNAKER LN  
JUPITER, FLA 33477

BENEFICIARY: STATE OF UTAH  
UTAH DIVISION OF OIL, GAS, AND MINING  
\*\*SEE L/C FOR FULL BNF\*\*

BENEFICIARY'S CONSENT: Not Required  
AMOUNT: NO CHANGE  
BY: .00  
NARRATIVE: APPLICANT CHANGED TO 'H & B MINING COMPANY'

THIS CHANGE IS TO BE APPLIED IN ALL INSTANCES  
WHERE THE FORMER NAME WAS MENTIONED THROUGHOUT THE  
LETTER OF CREDIT.

CHANGE PARAGRAPH 1 TO NOW READ AS: '1. BANK OF  
OKLAHOMA, N.A. ('THE BANK'), OF TULSA, OKLAHOMA,  
HEREBY ESTABLISHES THIS IRREVOCABLE LETTER OF  
CREDIT (THE 'LETTER OF CREDIT') IN FAVOR OF THE  
UTAH DIVISION OF OIL, GAS AND MINING ('DIVISION')  
FOR AN AGGREGATE AMOUNT NOT TO EXCEED EIGHTEEN  
THOUSAND SIX HUNDRED AND 00/100 UNITED STATES  
DOLLARS (USD 18,600.00) EFFECTIVE IMMEDIATELY, ON  
BEHALF OF H & B MINING COMPANY ('OPERATOR') FOR  
H & B MINE UNDER DOGM ISSUED PERMIT NO.  
S/019/063.'

THIS AMENDMENT IS TO BE CONSIDERED AS PART OF THE ABOVE MENTIONED CREDIT  
AND MUST BE ATTACHED THERETO. ALL OTHER TERMS AND CONDITIONS REMAIN  
UNCHANGED.

APPROVED AS ISSUED

...   
AUTHORIZED SIGNATURE

☒ APPROVED

RECEIVED

MAY 07 2007

DIV. OF OIL, GAS & MINING

S/019/063



IRREVOCABLE STANDBY LETTER OF CREDIT BOK07SDF04005  
ISSUED IN TULSA, OKLAHOMA ON 04/13/07

**BENEFICIARY:**

STATE OF UTAH  
DIVISION OF OIL, GAS, AND MINING (DOGM)  
1594 WEST NORTH TEMPLE, SUITE 1210  
BOX 145801  
SALT LAKE CITY, UTAH 84114-5801

**APPLICANT:**

ELMER HEINRICH  
119 SPINNAKER LN  
JUPITER, FLA 33477

DATE AND PLACE OF EXPIRY: 04/13/08 TULSA, OKLAHOMA

AMOUNT: 18,600.00 USD  
USD eighteen thousand six hundred and no cents

1. BANK OF OKLAHOMA, N.A. ('THE BANK'), OF TULSA, OKLAHOMA, HEREBY ESTABLISHES THIS IRREVOCABLE LETTER OF CREDIT (THE 'LETTER OF CREDIT') IN FAVOR OF THE UTAH DIVISION OF OIL, GAS AND MINING ('DIVISION') FOR AN AGGREGATE AMOUNT NOT TO EXCEED EIGHTEEN THOUSAND SIX HUNDRED AND 00/100 UNITED STATES DOLLARS (USD 18,600.00) EFFECTIVE IMMEDIATELY, ON BEHALF OF ELMER HEINRICH ('OPERATOR') FOR ELMER HEINRICH MINING OPERATIONS UNDER DOGM ISSUED PERMIT NO. <TO BE ASSIGNED>.
2. THIS LETTER OF CREDIT WILL EXPIRE THE DATE UPON THE FIRST EVENT SET FORTH AS FOLLOWS: (A) 5:00 O'CLOCK P.M. (MOUNTAIN TIME) ON APRIL 13, 2008 OR (B) THE DATE UPON WHICH SUFFICIENT DOCUMENTS ARE EXECUTED BY THE DIVISION TO RELEASE ELMER HEINRICH ('OPERATOR') FROM FURTHER LIABILITY FOR RECLAMATION OF THE H & B MINE, DOGM ISSUED PERMIT NO. <TO BE ASSIGNED>, WITH NOTICE TO BANK BY THE DIVISION ACCOMPANIED BY THE ORIGINAL LETTER OF CREDIT WITH DIRECTIONS FOR TERMINATION.
3. THIS LETTER OF CREDIT ISSUED ON APRIL 13, 2007 WILL BE AUTOMATICALLY EXTENDED FOR SUCCESSIVE PERIODS OF ONE YEAR FROM THE CURRENT OR ANY FUTURE ISSUANCE DATE UNLESS 90 DAYS PRIOR TO THE ISSUANCE DATE OF THE FOLLOWING YEAR, THE BANK SENDS NOTICE TO THE DIVISION BY ANY COURIER SERVICE OR REGISTERED UNITED STATES MAIL 'RETURN RECEIPT REQUESTED' THAT THE BANK ELECTS NOT TO RENEW THE LETTER OF CREDIT.
4. FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE AGAINST THE DIVISION'S SIGHT DRAFT, IN THE FORM OF EXHIBIT A, SPECIFYING LETTER OF CREDIT NO. BOK07SDF04005 DELIVERED TO THE OFFICE OF BANK OF OKLAHOMA, N.A., INTERNATIONAL BANKING CENTER, ONE WILLIAMS CENTER, 15TH FLOOR SOUTH, TULSA, OK 74172. AT THE DIVISION'S SOLE ELECTION, THE DIVISION MAY PRESENT SIGHT DRAFTS FOR LESS THAN THE FACE AMOUNT SO LONG AS THE AGGREGATE AMOUNT OF ALL SIGHT DRAFTS DOES NOT EXCEED THE FACE AMOUNT. EACH DRAFT MUST BE ACCOMPANIED

**RECEIVED**

**APR 16 2007**

**DIV. OF OIL, GAS & MINING**

BY A CERTIFICATE IN THE FORM OF EXHIBIT B, SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE DIVISION.

5. IF THE BANK RECEIVES THE DIVISION'S SIGHT DRAFT(S) AND CERTIFICATE(S) AS PROVIDED IN PARAGRAPH NO. 4 ABOVE ON OR BEFORE THE TERMINATION OF THIS LETTER OF CREDIT, THE BANK WILL MAKE SUCH AMOUNT AS THE DIVISION MAY SPECIFY, WITHIN THE LIMITS OF THE SECOND SENTENCE OF PARAGRAPH NO. 4 OF THIS LETTER OF CREDIT, AVAILABLE TO THE DIVISION NO LATER THAN THE CLOSE OF BUSINESS, SALT LAKE CITY TIME, ON THE SECOND BUSINESS DAYS FOLLOWING THE BANK'S RECEIPT OF THE SIGHT DRAFT AND CERTIFICATE IN SUCH A MANNER AS THE DIVISION MAY SPECIFY. 'BUSINESS DAY' MEANS ANY DAY THAT IS NOT A SATURDAY, SUNDAY OR OTHER DAY ON WHICH COMMERCIAL BANKS IN THE STATE OF OKLAHOMA ARE AUTHORIZED OR REQUIRED BY LAW TO CLOSE.

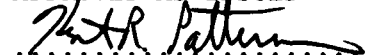
6. THE BANK WILL GIVE PROMPT NOTICE TO THE OPERATOR AND TO THE DIVISION DIRECTOR OF ANY NOTICE RECEIVED OR ACTION FILED ALLEGING INSOLVENCY OR BANKRUPTCY OF THE BANK, OR ALLEGING ANY VIOLATIONS OF REGULATORY REQUIREMENTS, WHICH COULD RESULT IN SUSPENSION OR REVOCATION OF THE BANK'S CHARTER OR LICENSE TO DO BUSINESS.

7. THE LETTER OF CREDIT WILL BE GOVERNED BY THE LAWS OF THE STATE OF UTAH AND SHALL BE SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDIT, 1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500, AS THE SAME MAY BE AMENDED AND IN EFFECT FROM TIME TO TIME ('UCP'). IN THE EVENT OF A CONFLICT BETWEEN UTAH LAW AND THE UCP, UTAH LAW WILL GOVERN.

8. ALL COMMUNICATIONS REGARDING THIS LETTER OF CREDIT WILL BE ADDRESSED TO BANK OF OKLAHOMA, N.A., INTERNATIONAL BANKING CENTER, ONE WILLIAMS CENTER, 15TH FLOOR SOUTH, TULSA, OK 74172, TEL: 918-588-6601, FAX: 918-588-6026, REFERENCING LETTER OF CREDIT NO. BOK07SDF04005.

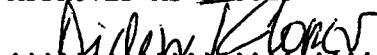
9. IN THE EVENT THE BANK GIVES NOTICE TO THE DIVISION THAT THE EXPIRATION DATE OF THE LETTER OF CREDIT WILL NOT BE EXTENDED, THE DIVISION MAY, UNTIL THE CURRENT EXPIRATION DATE OF THE LETTER OF CREDIT, DRAW UNDER THE LETTER OF CREDIT AGAINST ITS SIGHT DRAFT(S) IN ACCORDANCE WITH THE PROVISIONS OF PARAGRAPH 4.

APPROVED AS ISSUED



AUTHORIZED SIGNATURE

APPROVED AS ISSUED



AUTHORIZED SIGNATURE

EXHIBIT A - SIGHT DRAFT  
TO LETTER OF CREDIT NUMBER <INSERT>

DATE	CITY, COUNTY	LETTER OF CREDIT NO.

PAY TO THE ORDER OF: UTAH DIVISION OF OIL, GAS AND MINING

\_\_\_\_\_ U.S. DOLLARS

TO: <INSERT BANK NAME AND ADDRESS>

UTAH DIVISION OF OIL, GAS AND MINING  
1594 WEST NORTH TEMPLE, SUITE 1210  
BOX 145801  
SALT LAKE CITY, UTAH 84114-5801

BY: \_\_\_\_\_  
AUTHORIZED SIGNATURE